P.Z 7/95

G. R. S. IX-5]

Previous references. 1898-99

~~191~~ .

(Banking)

File No. 8.

Serial Nos. 1—3

Later references.

Vide Sls 4-5 of the same file no.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1— 3.

Part B for

SUBJECT.

Agricultural Bank at Kolla-
Shikarpur Taluk- .

Incomplete

Indexed

W D 88—GPB—50,000—24-7-15

REVENUE DEPARTMENT
G.L. No. 1100
UG 13 1898
No 166
DEWAN'S OFFICE

1898-99

From The Deputy Commissioner
Shimoga District

To The Secretary to the Government
of Mysore
General and Rev Depts.

Dated // "
Despatched August 1898.
Received
General No. 130
No. 107

Enclosure No. 2 & a file

Forwards copy of docket No 40 of the 29th July 1898 with Enclosures in original from the Inspector of Agricultural Banks and recommends an advance of Rs 6500 for the Agricultural Bank at Kotta, Shikarpur Taluk.

C S N

Rev 13/8/98

Note
Necessary file received with this and returned to the Dy Commr Shimoga. Docket in this date.
98 57 18/17.

Rd 14/8
[illegible] 7/8 [illegible]

No. 130/107
Enclosures to file

Deputy Commissioner's office
Shimoga District
Shimoga 11th August 1898.

To

The Secretary to the Government
of Mysore
General and Revenue Depts.

Sir,

I have the honour to forward herewith a copy of letter No. 40/11 dated 4th August 1898 with its enclosures in original received from the Inspector of Agricultural banks in Mysore on the subject of opening an Agricultural Bank at Kotta in the Shikarpur Taluk, and to recommend that the advance of Rs 6500/- therein proposed may be sanctioned

2. I need hardly state, with reference to the Inspector's remarks in para 2 of his letter, that the lands do not become security for the Government loan in a legally effective manner unless we get a registered deed.

3 One of the members[x], I may add, is a brother of the Amildar, but that by itself is no reason against his being admitted as a member.

H. Manjunatha Rao
Deputy Commissioner
Shimoga District

[x] H. Ramachandra Rao (no 11 on the list)

BBC

Sir

To The Dy: Commr
Shemoga Dn.

No 1475 Dt 23/8/98
Ch: JRF 7-98 24.

Ack 24/8 file

His letter No 130/107 dt the 11th August 1898, relating to the proposed agricultural Bank at Kotta in the Sirkarpoor Taluk.

In returning the entire file of papers received with the above, has the honor to observe as follows:-

(i) that the No. of persons as ~~shown~~ given in the letter (viz 22) does not ~~with~~ agree with the total of the names tally with the No. shown in the Statement submitted by the Inspector - much ~~below~~ deputed by Corcedin in accordance with those effected by scoring out certain names of members at foot of the memorandum of articles of association of the Bank of Bassanna of Bro.

:al Rs 22 on the Settlement
s to be worth Rs 230/. While he
a debt of 350 Rs. ~~but~~

~~is~~ lands are worth only
Rs 230. His other assets
~~are not described~~.

These points require correction & explanation.

(iii). The Dy: Commr is
requested to explain the
principles regulating these
institutions to the members
of this Bank and ascertain
whether the Govt. advance
will be supplemented
by any deposits from
the members themselves.

(IV) It is also another
essential feature that
the advance made by
Govt is temporary &
must be repaid within
a reasonable time -
The Dy: Comm will
ascertain and Report
the probable time
within which the

(X). "The increasing no of proposal
" to establish such Banks & the appli
" cations made for the help of Govt to such
" proposed Banks by means of loans
" from the Treasury shew the want of
" a sufficient appreciation of the
" essential principles
" upon which alone such
" Banks can be expected to be successfu
" maintained"

(2). "Mutual Cooperation &
"self help are the essential foundat
" of the system. In other Countries,
" these Banks have had to pledge
" the united credit of their membe
" & upon such credit to borro
" money from the ordinary
" Exchange banks at modera
" rates of interest but such a
" borrowing was found
" necessary only in the early
" stages as in the course of a
" few brief years, the members
" were themselves able to adva
" their savings as loans to the
" Banks, & the bank was ab
" to lend money (out of such lo
" to the poorer members in ne
" of help. If the persons propose
" themselves to the application
" in question do not present
" a similar line of policy f
" their scrupulous future
" Conduct, the system will
" fail to achieve the objects
" view"

advance made here will be repaid.

BO
for Secy

19/8/43

From The Inspector of Agricultural
Banks in Mysore

To The Deputy Commissioner
Shimoga District

Dated 29th July 1898
Despatched 4th August

Genl No. 40
No. 11

En: No 1 statement & file

Sir,

I have the honour to forward the file of papers ending with the Shikarpur Taluk Amildar's yadi No. 41 dated the 9th instant relating to the proposed Agricultural Bank at Kotta, Shikarpur Taluk.

2. This Bank is intended for the benefit of Kotta and 3 other villages. The members 22 in number own 310 Acres 13 guntas of Sarkar land and 5 acres of Inam valued at Rs 13069 with an encumbrance of Rs 2200. They have other debts amounting to Rs 2700. On the security of this property, the members pray for the grant of a loan of Rs. 9750

which the Amildar also recommends. I am of opinion that Rs 6,500 being one half of the Estimated value of the lands may be advanced.

3. The statement shewing in detail the particulars of property and liabilities of the members is hereto appended.

I have &c.

Sd/ M. Chungiah Chetty
Inspector of Agricultural Banks
in Mysore.

"Copy"

H. Manjunday Ra
Deputy Commissioner
Shimoga District

WRL

From The Commissioner
Shimoga District.

To The Secretary to the
Govt of Mysore, Gen
and Rev. Depts.

Dated 4th November 189
Despatched
Received

General No. 378
No. 304

Enclosure No. 2 with Ka: Fr

With reference to docket
No. 1475 / R.37-98 of the 23rd
August 1898, submits the
information called for
regarding the Agricultural
Bank at Kolar.

No. 378 &
304 ca

Deputy Commissioner's Office
Shimoga District
dated the 4th Nov. 1898.

To,

The Secretary to the
Government of Mysore,
General & Revenue Depts.

Sir,

With reference to your docket No. 1475/R37-98 dated the 23rd August 1898 returning with certain observations the file of Kannada papers relating to the Agricultural Bank proposed to be established at Kolka in the Shikarpur Taluk I have the honour to state that 2nd Assistant Commissioner in charge of the Taluk to whom the papers had been referred, reports that the principles contained in the docket under reply were explained to all the members of the proposed Agricultural Bank except Ramachandra Rao and Nijjanna

who were absent. The result was that out of those whose names appear in the original list 5 have applied to withdraw their membership on the ground that they have since cleared their debts. Excluding the two absentees and the five persons who wished to withdraw, the rest agreed to repay the advance made by the Government within a period of 10 years, and stated that they were not in a position to supplement the advance made by Government by any deposits of their own.

2. With regard to the discrepancy in the number of members observed in the docket, it is to be stated that Karee Ankalagamma (Serial No. 17) is the Khatedar and Hosuramma and Parasamma (Numbers 18 and 19) are his hissedars. The two latter together with the registered Khatedar being apparently only entitled to one

membership

membership, the total number of members is given as 22 in the letter of the Inspector of Agricultural Banks, whereas with the two misc-dars the number is mentioned as 24 in the statement.

3. Basanna of Begur (Serial No 22) stated that he had cleared a portion of the debt of Rs 350/- still leaving a balance of nearly Rs 300/-

4. I beg to submit in this connection that in the matter of Agricultural Banks I believe that when payments towards principal are made by the members, it is permissible to advance money for fresh transactions so as not to exceed the limit of the deposit laid down by the original Government Proceedings sanctioning the advance to the bank. The matter however is not quite clear. If fresh advances can be made as above indicated, it would seem that the Bank may spread its transactions over a larger period of time and utilise periodical recoveries of

debts for the benefit of later membe
till the Government expresses its wish
to withdraw its deposits.

5. It seems to be quite useless to
expect that within any appreciable
future these rural banks can find
even the smallest part of their capi-
tal from private deposits. The rate
of interest is too low for such a course
and the margin of saving is so small
and the intelligence and mutual
credit at such a low ebb that nothing
but a high rate of interest can
draw any appreciable funds from
these people. The result is that even
such bank has become an institu-
tion existing merely to draw money
from Government Treasury and to
repay it by instalments. Such banks
are dissolved soon after the original
loans have been re-paid.

6. If Government is to insist on a
particular fraction of the capital
being formed by the members from other
sources, it will virtually be putting
an end to all such institutions

Coming

coming into existence hereafter. An intermediate way I think may be tried by its being ordained that all deposits are liable to be with-drawn by Government after a definite period (say 5 years) which should be less than what the members adopt as the usual period for final discharge of their individual debts — notice of 3 or 6 months being previously given. The banks not being registered as limited liability Companies, their liability to repay Government deposits is unlimited; and it may thus be clearly shown that so far as Government is concerned the members are all sureties for each other:

7. Our frequent inspections and checking may create an erroneous idea in their minds and induce an impression that each individual debtor only is responsible to Government. This should be corrected by well considered rules as to the time and scope of our inquiries, the chief object in view being that

that all the members continue solvent
enough for the eventual discharge
of the total liability of the bank
to the Government demand.

I have the honor to be,

Sir,

Your most obedient Servant,

H. Manjunathaya

Deputy Commissioner

Shimoga District.

J. Edr

Statement Showing the particulars of the proposed agricultural Bank at Kotta, Shik

Proposed name of the Bank and the names of villages to be benefited by it.	Names of Members.	Residence of Members.
Kotta agricultural Bank 1 Kotta 2 Kappganhally 3 Chinchenkoppa 4 Amatikoppa	Shanbhogue Basappa	Kotta
	Baramma, Jattannavara	Do
	Huchanna, Haragole	Do
	Lingana, Hargige	Do
	Chennaveeraiya Kalliganhally	Do
	Chennaviappa Gunnaiyana	Do
	Baramma, Chakki	Do
	Malla, Guddada	Do
	Krishnappa, Nagarada	Shikarpur
	Ramachendrappa Amlasi	Do
	Ramachendra Rao Hattiangar	Do
	Mallarappa Dakkannavara	Kotta
	Basetty, Jattannavara	Do
	Gowda Basappa	Kappganhally
	Sannamallana, Sannappanavara	Do
	Buggana, Godtti	Do
	Huliganna, Kare	Do
	Honnana, do	Do
	Parvana, do	Do
	Lakshmanna, Buggannana	Do
	Basaiya, Hole	Do
	Basanna, Begur	Do
	Ojanna, Shadakoppada	Do
	Hucharoya Reddy	Do

Kotta

Office of the Inspector of Agricultural Banks Lingsugur
Dated Bangalore 29th July 1898
4th August

3

perty and liabilities of the members of the
pur Taluq, Shimoga District.

Arable land possessed by Inam				Probable value as estimated by the members.	Probable value as estimated by the Amildar	If Inamdar owed any debt how & for how much.	Other debts
Area.	Area sold & much.	Jodi or Quick-sand					
29	29	8	" " " " " "	2,250	2,250	Nil	Nil
7	23	10	" " " " " "	260	260	"	150
27	5	8	" " " " " "	50	50	"	20
17	19	"	" " " " " "	150	150	"	"
16	18	"	" " " " " "	200	200	50	"
15	16	"	" " " " " "	200	200	"	100
21	30	"	" " " " " "	300	300	80	"
25	11	"	" " " " " "	100	100	"	"
6	112	8	" 5 " 12 " "	1319	1319	"	"
18	92	"	" " " " " "	800	800	"	"
25	270	"	" " " " " "	2900	2,900	"	"
28	20	8	" " " " " "	230	230	"	"
35	31	8	" " " " " "	350	350	150	"
17	28	4	" " " " " "	700	700	230	"
23	10	10	" " " " " "	200	200	100	"
35	27	8	" " " " " "	500	500	200	"
37	20	8	" " " " " "	600	600	190	"
34	34	4	" " " " " "	800	800	600	"
19	8	4	" " " " " "	150	150	50	"
23	33	4	" " " " " "	230	230	350	"
9	24	"	" " " " " "	210	210	100	"
27	34	8	" " " " " "	570	570	100	"
0	13997	4	" 5 " 12 " "	13,069	13,069	2200	270

Asst Inspector of agricultural Banks
in Sagar